REMARKS

Applicants thank the Examiner for the very thorough consideration given the present application.

Claims 1-18 are now present in this application. Claims 1 and 12 are independent. Claim 1 has been amended.

Reconsideration of this application, as amended, is respectfully requested.

Reasons for Entry of Amendments

At the outset, it is respectfully requested that this Amendment be entered into the Official File in view of the fact that the amendments to the claims automatically place the application in condition for allowance.

In the alternative, if the Examiner does not agree that this application is in condition for allowance, it is respectfully requested that this Amendment be entered for the purpose of appeal. This Amendment reduces the issues on appeal. This Amendment was not presented at an earlier date in view of the fact that Applicants did not fully appreciate the Examiner's position until the Final Office Action was reviewed.

Rejection Under 35 U.S.C. § 103

Claims 1, 2 and 12 stand rejected under 35 U.S.C. § 103(a) as being upatentable over U.S. Patent No. 6,373,540B1 to Munakata, in view of U.S. Patent No. 6,151,089A to Yang et al. (Yang). This rejection is respectfully traversed.

With regard to independent claim 1, the Examiner has referred to the Response to Arguments in Paper No. 12 mailed on February 6, 2003. Particularly, the Examiner states that if the liquid crystal display cell disclosed by Munakata is turned upside down or 180 degrees, the upper substrate 1 will become the lowest substrate or second substrate, which is provided the light source on the back, and the lower substrate 2 will become the uppermost substrate, on which the TFT and color filter are formed. Also, the Examiner states that nevertheless, the liquid crystal cell of the Applicants' related art (Fig. 2) in the Applicants' application turned upside down will become the preferred embodiment (Fig. 4). However, it has neither been asserted by the Examiner, nor admitted by the Applicants that Fig. 2 is prior art.

At the outset, the Examiner's admits in the Response to Arguments that it is necessary to modify the prior art of record or the related art in order to produce the Applicants' claimed invention. In other words, the Applicants' claimed invention does not read on the prior art of record without modification.

It appears that the Examiner is asserting that it would have been obvious to one of ordinary skill in the art to turn a liquid crystal cell upside down, and that there are no advantages associated with doing so (that are mentioned in the Applicants' Specification). Applicants respectfully disagree.

As the Examiner has admitted, advantages do exist. Particularly, the Examiner has stated that a *reasonable advantage* of turning a TFT upside down is to prevent light from a backlight from entering the TFT for a transmissive-type LCD. However, according to the Examiner, this advantage is not disclosed in the specification or claims, and thus provides a proper basis for maintaining the rejection.

A second advantage (stated by the Applicants) is that turning the TFT upside down eliminates a need for the second black matrix. This not only reduces the number of black matrices required by the device (without impairing the function thereof), but the removal of the second black matrix actually improves the device. Case law supporting both the Examiner's stated advantage and the Applicants' stated advantages is well established.

For example, *In re Chu*, 66 F.3d 292, 298, 36 USPQ2d provides that "We have found no cases supporting the position that a patent applicant's evidence and/or arguments traversing a §103 rejection must be contained in the specification. There is no logical support for such a proposition as well, given that obviousness is determined by the totality of the record including, in some

instances most significantly, the evidence and arguments proffered during the give-and-take of ex parte patent prosecution."

With particular regard to the *Chu* case, it is further provided that to "require Chu to include evidence and arguments in the specification regarding whether placement of the SCR catalyst in the bag retainer was a matter of "design choice" would be to require patent applicants to divine the rejections the PTO will proffer when patent applications are filed."

In light of the *Chu* decision, the Examiner's stated advantage alone is sufficient for overcoming the rejection under 35 U.S.C. 103.

With regard to the second black matrix being omitted, Applicants respectfully submit that without the second black matrix, the function of the device preserved, and that improvements in the device are also obtained as a result from the omission. It is a long settled principle of U.S. patent law that the omission of an element and *retention* of its function is an indicia of unobviousness. See *In re Edge*, 359 F.2d 896, 149 USPQ 556 (CCPA 1966). Also see MPEP 2144.04.

The Applicants' Specification provides that an important reason for turning the TFT upside down is to eliminate the second black matrix. Clearly also, is that in omitting the second black matrix, the function of the device is preserved (as well as improved). The rejection under 35 U.S.C. 103 is not proper.

Particularly, Munakata fails to disclose or suggest a combination of elements in a liquid crystal display device including said second substrate being aligned with the first substrate, both first substrate and said switching element thereon being turned upside down, as recited in independent claim 1, as amended, and similarly stated in independent claim 12. Yang cannot fill this vacancy.

Claim 2 depends on claim 1. Since neither Munakata, nor Yang discloses or suggests the above-recited features of independent claims 1 and 12, Munakata, in view of Yang, cannot render claims 1-2 and 12 obvious to one of ordinary skill in the art. Reconsideration and withdrawal of this art grounds of rejection are respectfully requested.

Claims 3-8 and 13-15 stand rejected under 35 U.S.C. 103(a) as being unpatentable over Munakata in view Yang as applied to claims 1, 2 and 12 above, in view of U.S. Patent No. 5,847,781A to Ono et al. (Ono). This rejection is respectfully traversed.

Munakata and Yang, argued above with respect to independent claims 1 and 12, fail to disclose or suggest a combination of elements in a liquid crystal display device including said second substrate being aligned with the first substrate, both first substrate and said switching element thereon being turned upside down, as recited in independent claim 1 (as amended) and similarly stated in independent claim 12. Ono cannot fill this vacancy.

Claims 3-8 and 13-15 depend, either directly or indirectly on independent claims 1 and 12. Since neither Munakata, nor Yang, nor Ono discloses or suggests the above-recited features of independent claims 1 and 12, Munakata, in view of Yang, and further in view of Ono, cannot render claims 3-8 and 13-15 obvious to one of ordinary skill in the art. Reconsideration and withdrawal of this art grounds of rejection are respectfully requested.

Conclusion

All of the stated grounds of rejection have been properly traversed, accommodated, or rendered moot. Applicants therefore respectfully request that the Examiner reconsider all presently outstanding rejections and that they be withdrawn. It is believed that a full and complete response has been made to the outstanding Office Action, and as such, the present application is in condition for allowance.

If the Examiner believes, for any reason, that personal communication will expedite prosecution of this application, the Examiner is invited to telephone Percy L. Square, Registration No. 51,084, at (703) 205-8034, in the Washington, D.C. area.

Prompt and favorable consideration of this Amendment is respectfully requested.

If necessary, the Commissioner is hereby authorized in this, concurrent, and future replies, to charge payment or credit any overpayment to Deposit Account No. 02-2448 for any additional fees required under 37 C.F.R. §§ 1.16 or 1.17; particularly, extension of time fees.

Respectfully submitted,

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